



TARENO
INDEPENDENT WEALTH &
ASSET MANAGER



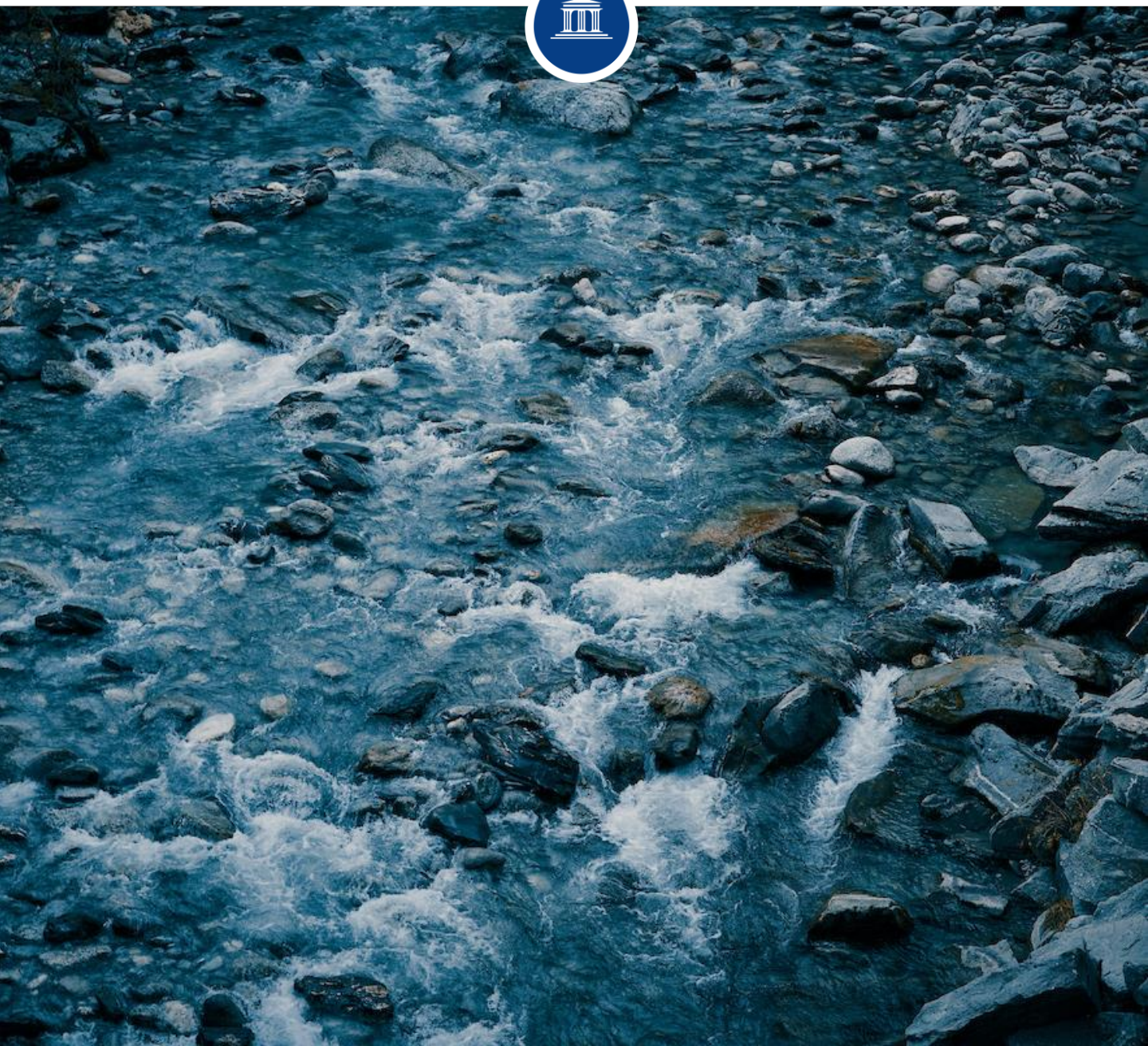
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WINNER

Sustainability Report

Tareno Global Water Solutions Fund as of 31.12.2025



Contents

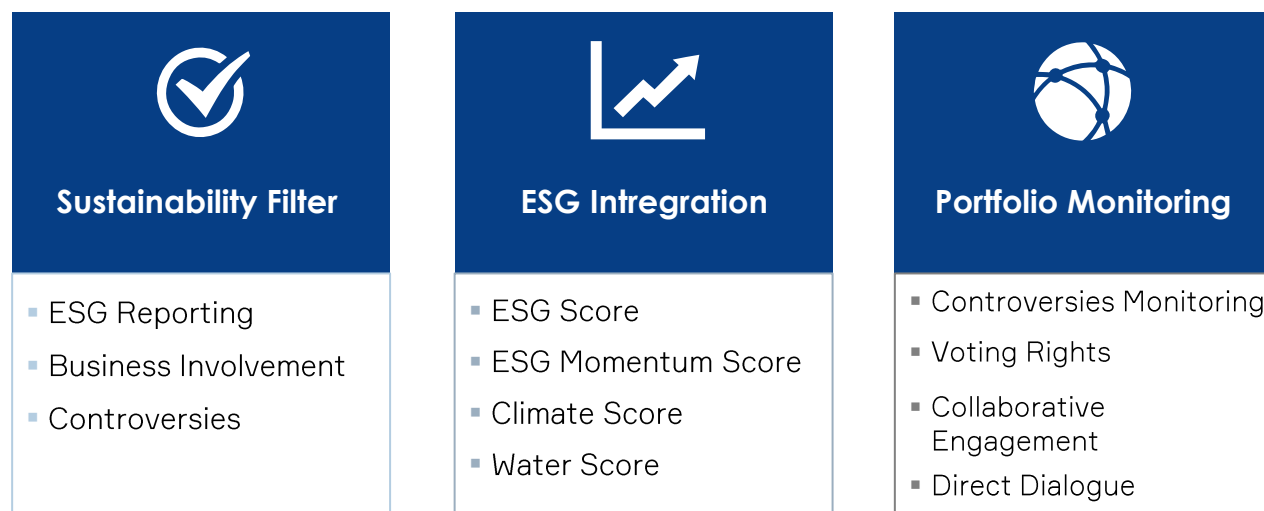
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Sustainability Approach

Sustainable Investment Goal

The Tareno Global Water Solutions Fund invests in companies that develop and commercialize solutions for a more sustainable and efficient use of water. Thus, the fund addresses the United Nations SDG 6 (Clean Water and Sanitation) as well as Goal 3 of the EU Taxonomy (Sustainable Use and Protection of Water and Marine Resources).

Sustainability Approach



Sustainability Filter

While engagement is the fund manager's preferred approach to dealing with companies that lag in their sustainability performance, some minimum criteria regarding sector involvement and corporate practices are required to qualify for the investment universe.

ESG Integration

A proprietary sustainability scoring model tailored specifically to the water universe has been developed. The resulting Tareno Sustainability Rating is composed of four key components: an ESG score, an ESG momentum score, a climate score and a water score. Each company within the investment universe is assessed and rated using these metrics.

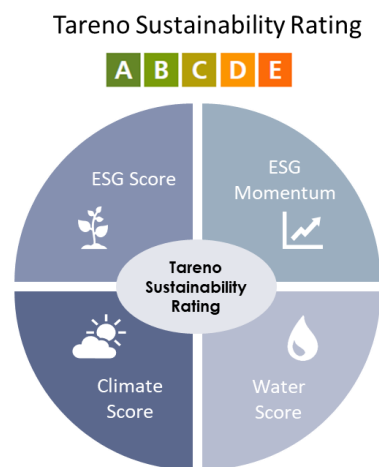
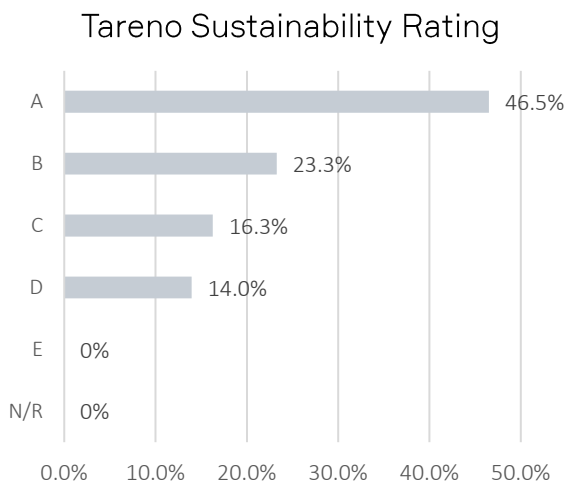
Portfolio Monitoring

Voting rights for all portfolio holdings are regularly exercised by ISS Governance in accordance with their international [sustainability guidelines](#). Fund management reviews all voting intentions and has the authority to overrule them at any time. Direct dialogues with company representatives are held at least once a year. More intensive engagement is conducted with companies with low ESG scores, with a particular focus on environmental practices and reporting standards. Direct engagement tends to focus on smaller companies, while engagement with larger companies preferably takes the form of collaborative engagements coordinated by the UNPRI. Additionally, the ESG Book platform is used to directly request companies to disclose specific ESG data points.

More detailed information about the fund's sustainability approach can be found in the [sustainability guidelines](#).

Sustainability Profile

Portfolio Rating Distribution



Sector-Based Exclusions

Exclusion Criteria	Revenue Threshold	Portfolio % as of 31.12.2025
Adult Entertainment	0%	0.0%
Alcohol	5%	0.0%
Coal Mining	0%	0.0%
Coal Power	5%	0.0%
Conventional Weapons	5%	0.0%
Controversial Weapons	0%	0.0%
Fracking	5%	0.0%
Gambling	0%	0.0%
GMO	0%	0.0%
Nuclear Power	5%	0.1%
Oil Sands	5%	0.3%
Tobacco	0%	0.0%
Uranium Mining	0%	0.0%
Conventional Oil	10%	0.1%
Conventional Gas	50%	0.0%
Electricity Generation with a GHG Intensity > 100 gCO ₂ e/kWh.	50%	0.3%

Sources: Tareno AG, ISS ESG

Benchmark: Tareno Water Universe. The definition of the universe can be found in the [sustainability guidelines](#).

Sustainability Profile

ESG Leaders

Company	Domicile	Sust. Rating	Comment
GEA Group	DE	A	GEA is recognized as an ESG leader with top-tier ratings, including an MSCI ESG AAA grade and a Sustainalytics "low risk" score. Its ambitious climate targets (net-zero by 2040, SBTi-validated) and resource-efficient innovations (e.g. "Add Better" products) earned GEA inclusion in Dow Jones Sustainability Indices.
Geberit AG	CH	A	Geberit's comprehensive sustainability program has earned an EcoVadis Gold rating (top 5% globally). High ESG scores (MSCI AA; Sustainalytics low-risk) reflect its strong environmental performance and social initiatives in water conservation and employee welfare.
Kurita Water	JN	A	Kurita is lauded for its sustainability governance and water-centric innovation. It is listed in all major ESG indices, signalling robust ESG practices, e.g. diversity and climate efforts. Kurita's "CSV" business model delivers solutions that save water and reduce CO ₂ for clients, underscoring its environmental leadership and earning it industry accolades in ESG rankings.

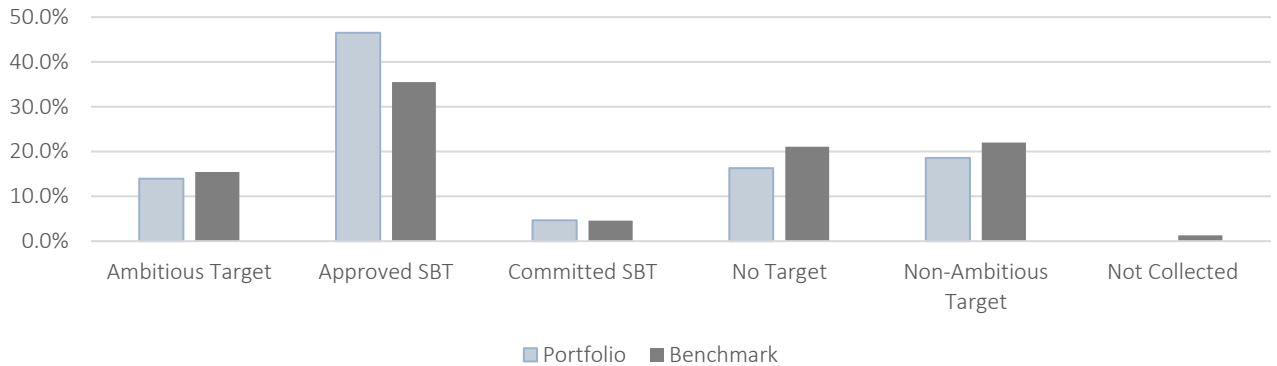
ESG Laggards

Company	Domicile	Sust. Rating	Comment
Core&Main	US	D	Core & Main's sustainability approach is still developing. Its ESG reports outline commitments to water infrastructure and efficiency but lack long-term environmental targets. Sustainalytics rates its ESG risk as medium, indicating room for improvement. The company has started tracking GHG emissions and promoting water conservation, but it has not yet set science-based climate goals or robust social reporting.
Mueller Industries	US	D	Mueller Industries has solid governance and has recently improved its ESG disclosures. They report on several metrics including GHG emissions and water consumption. However, the company still lacks specific, quantitative targets and a transparent implementation roadmap to reach those goals.
Gorman Rupp	US	D	Gorman-Rupp has only recently begun formal sustainability reporting (its first ESG report was published in 2024). The company emphasizes basic initiatives like energy conservation or waste reduction, however, it needs a more comprehensive and transparent strategy in order to catch up with industry ESG standards.

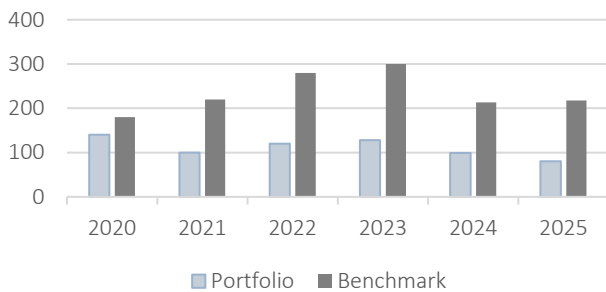
Sustainability Profile

Climate-Related KPIs

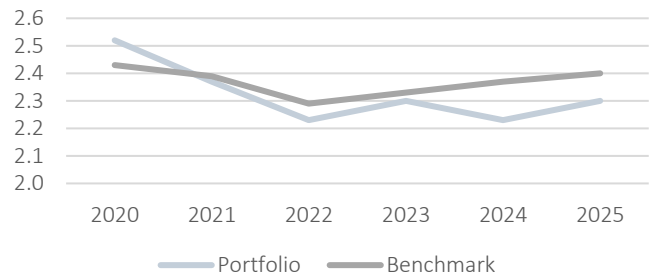
GHG Reduction Targets



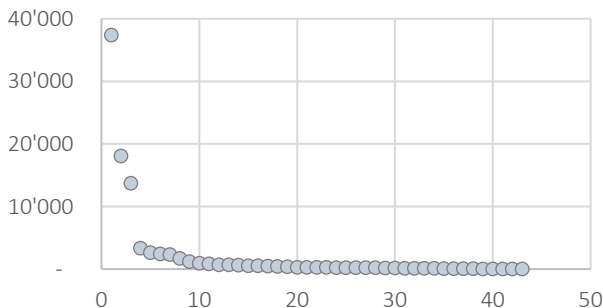
Total Emissions Intensity Scope 1 + Scope 2 per Mio EUR Rev



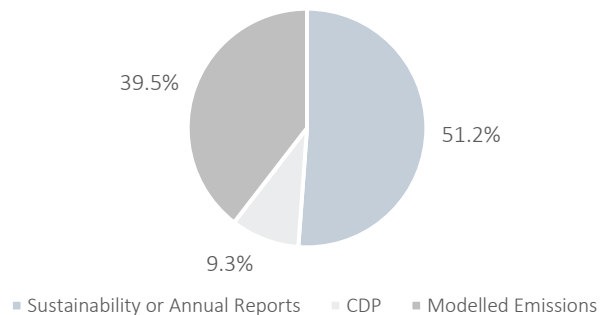
Average Climate Temperature Score



Portfolio Scope 3 Emissions* per Mio EUR EV



Scope 3 Emissions - Data Source



* All outliers with relatively high scope 3 emissions are on a 1.5 temperature path with ambitious targets and have therefore significant decarbonization potential, making them suitable for inclusion in the portfolio.

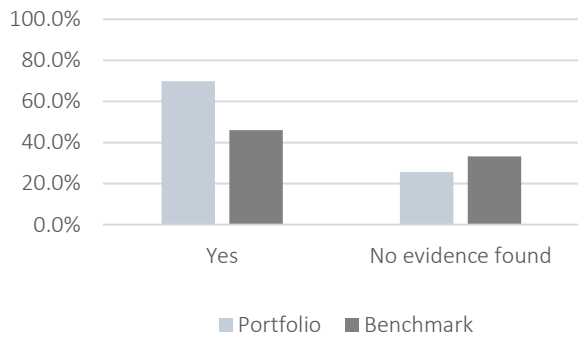
Sources: Tareno AG, ISS ESG

Benchmark: Tareno Water Universe. The definition of the universe can be found in the [sustainability guidelines](#).

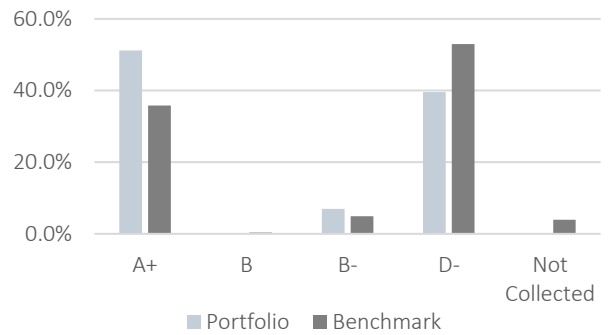
Sustainability Profile

Water-Related KPIs

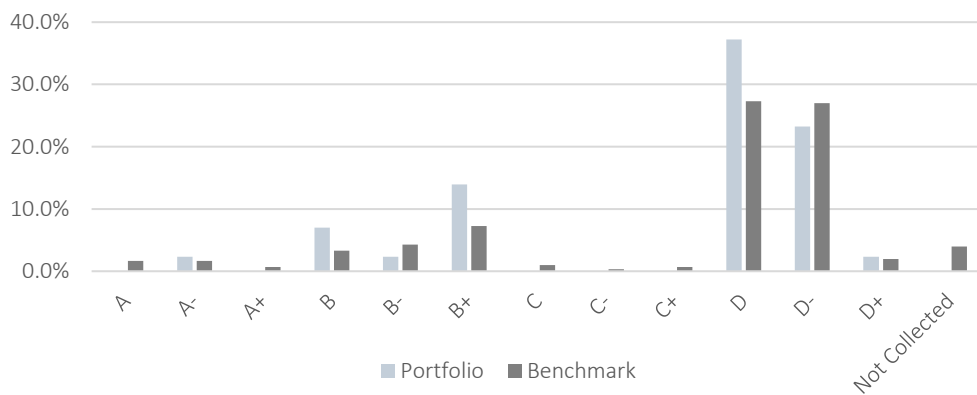
Water Management Policy



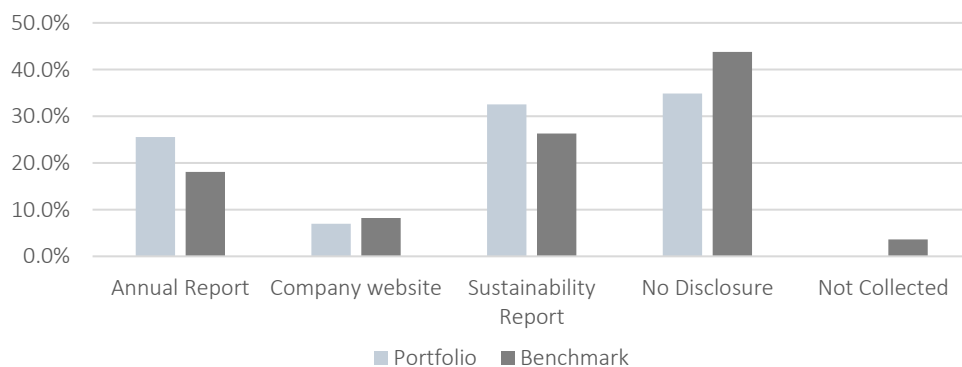
Freshwater Use Intensity Score



Quality of Water Targets and Action Plan



Water Consumption Disclosure Source



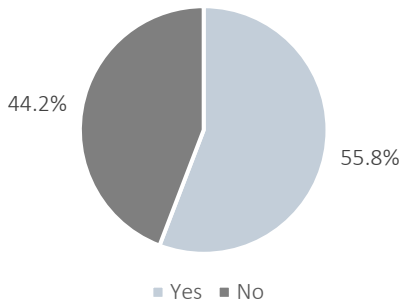
Sources: Tareno AG, ISS ESG

Benchmark: Tareno Water Universe. The definition of the universe can be found in the [sustainability guidelines](#).

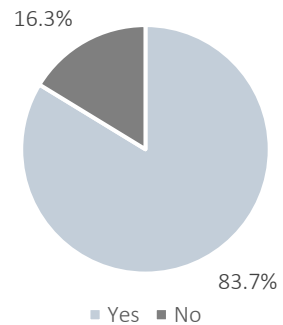
Sustainability Profile

Social KPIs

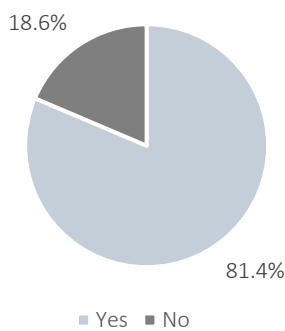
Human Rights Policy



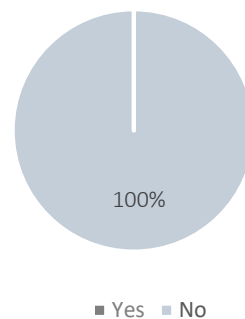
Supplier Code of Conduct



Processes Monitoring UNGC and OECD Compliance

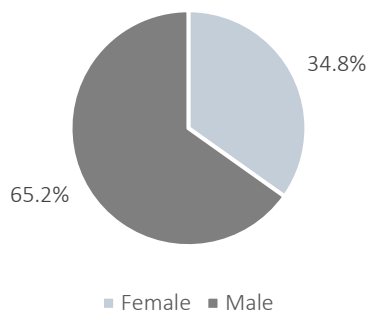


Violations of UNGC or OECD Guidelines

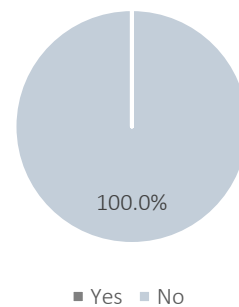


Governance KPIs

Ratio of Women on Board



Insufficient Action to Address Anti-Corruption Breaches

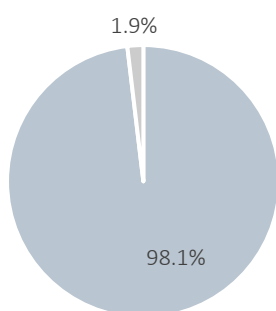


Active Ownership – Voting Rights

Voting rights are regularly exercised and used to promote sustainable practice at the companies the fund invests in. Execution follows the international sustainability guidelines by ISS, which advocate for stewardship of environment, fair labor practices, non-discrimination, and the protection of human rights.

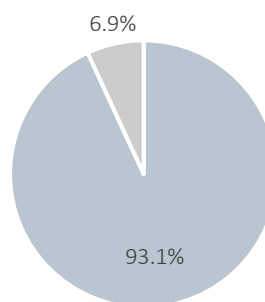
Voting Summary 2025	Total	in %
Votable Meetings	53	100%
Meetings Voted	52	98%
Number of Meetings with Votes Against Management	19	36%
Votable Proposals	619	
Voted FOR	528	85%
Voted AGAINST	27	4%

Voting rights exercised



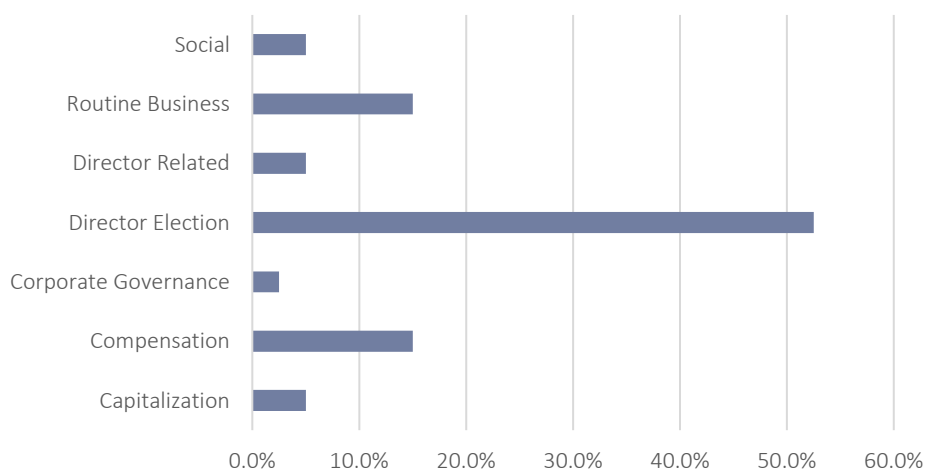
- Meetings Voted
- Meetings not Voted

Votes against management



- Votes with management
- Votes against management

Votes against management: Themes



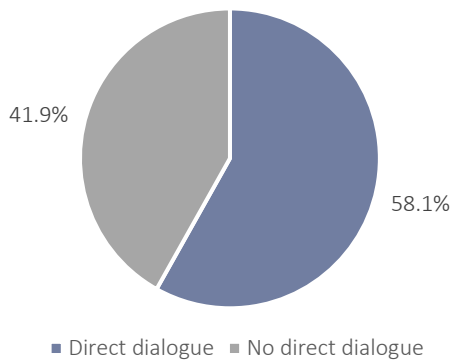
Sources: Tareno AG, ISS ESG

More detailed information on all voting rights exercised in the past year can be found in the [annual voting summary](#).

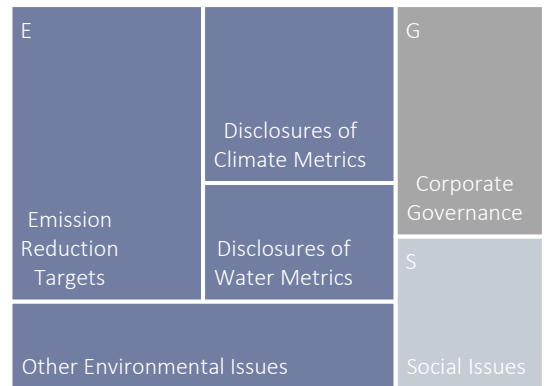
Active Ownership – Engagement

Engagement Overview

Engagement Activities 2025



Engagement Themes



ESG Book Engagement

To streamline the collection of climate-related ESG data across its investment universe, Tareno works with ESG Book to systematically gather relevant disclosures from portfolio companies. Through ESG Book’s disclosure platform, companies are invited to voluntarily report climate-related data in line with the ESG Book ISR Framework, enabling them to provide structured information on their climate transition plans.

This process complements Tareno’s direct engagement and dialogue with companies. The platform allows Tareno to efficiently identify and close data gaps by combining company disclosures with ESG Book’s proprietary data modules and publicly available information.

As part of the most recent data collection cycle, requests were sent to 222 companies in November 2025. Companies receive regular reminders and can pre-populate their disclosures with data already gathered by ESG Book, reducing reporting friction and improving response rates. This structured approach enables Tareno to scale engagement efforts across its investment universe while encouraging greater transparency and more comprehensive climate-related disclosures.

Disclosure state as of January 2026					
	Request sent	Draft	Review	Complete	Declined
Number	173	9	3	35	2
% of total	77.9%	4.1%	1.4%	15.8%	0.9%

Active Ownership – Engagement

Selected Engagement Cases

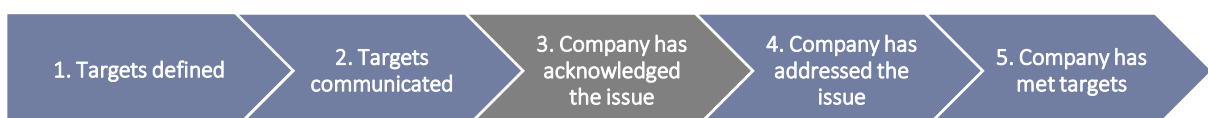
Mueller Industries

Mueller Industries is a US-based manufacturer of copper, brass, and other metal products across segments including piping systems, HVAC/R, and industrial components. The company is structurally well positioned in the context of the energy transition: copper is a critical material for electrification, renewable energy infrastructure, and green buildings. Its business model — built around a product with an average recycled content of 59% and a 95% waste recycling rate — already reflects meaningful circularity that is not yet fully reflected in the company’s external sustainability narrative.

Our engagement with Mueller Industries over the past year has resulted in incremental but tangible progress in the company’s sustainability reporting. The 2025 sustainability report, covering performance through end-2024, shows improvements in several areas. The company has begun enhancing product-level environmental transparency, including a third-party verified Life Cycle Assessment (LCA) that meets the criteria for LEED EPD 4.1 credit, with a formal Environmental Product Declaration (EPD) expected once the relevant Product Category Rules are finalized — a step we had highlighted as a priority. Operationally, electricity consumption declined from 210,496 to 189,753 thousand kWh in 2024, and one major manufacturing facility now operates on 100% renewable electricity. These developments indicate growing internal awareness of environmental performance and reporting practices.

Despite this progress, a central issue from our prior assessment remains unresolved: Mueller has yet to publish specific, time-bound quantitative reduction targets for greenhouse gas emissions, energy use, or water consumption. The 2025 report notes that the company is still collecting the necessary data to formulate longer-term environmental targets. Total GHG emissions in 2024 amounted to 719,231 metric tonnes CO₂e, with Scope 3 representing the majority of the footprint at roughly 79%. While the company references an industry-level decarbonisation roadmap for the copper sector, it has not yet translated this into company-specific reduction milestones or a validated science-based target.

Looking ahead, our engagement will focus on encouraging Mueller to move from data collection to concrete target setting. Specifically, we will continue to advocate for the publication of interim Scope 1 and 2 reduction goals with a defined base year and timeline, as well as a clearer strategy to address Scope 3 emissions. We will also encourage the company to further strengthen transparency around product environmental impacts through the publication of EPDs. Converting Mueller’s structurally solid environmental profile into explicit, measurable climate and resource targets remains the central objective of our ongoing dialogue.



Active Ownership – Engagement

Selected Engagement Cases

Andritz

Andritz is a global industrial technology company operating across pulp & paper, metals, hydropower, and environmental technologies. It continues to benefit from structural macro trends including decarbonization, the circular economy, and green infrastructure investment. While economic uncertainty and project cycle volatility remain headwinds, its diversified portfolio provides resilience, and the company remains well-positioned to capture growth in renewable energy and sustainable industrial solutions.

Andritz has undergone a material transformation in its approach to sustainability communication over the past two years. What was previously a company that performed well on ESG metrics but communicated little has evolved into one with structured, standards-aligned disclosure. The 2024 reporting cycle marked a decisive step-change, with the company publishing its first CSRD-compliant Non-Financial Statement under the European Sustainability Reporting Standards (ESRS), including a formal Double Materiality Assessment conducted with input from investors, customers, and suppliers.

Our ongoing engagement with Andritz has yielded concrete results across several fronts. The 2025 remuneration policy — developed in direct response to investor feedback — embeds non-financial sustainability targets into a redesigned Performance Share Plan, replacing the prior structure where only a single safety metric carried a modest weighting. On climate, Andritz surpassed its 2025 Scope 1 and 2 emissions intensity target one year ahead of schedule, and submitted science-based targets covering Scopes 1, 2, and 3 to the SBTi for validation, with a 2030 target year. Critically, Scope 3 emissions were reported comprehensively for the first time. The company also received an EcoVadis Gold Medal in 2025, placing it in the top 5% of assessed companies globally — directly addressing the external recognition gap identified in our prior assessment.

Looking ahead, our engagement focus shifts toward the next layer of ambition. We will continue to encourage Andritz to publish a formal net-zero roadmap to 2050 once SBTi validation is confirmed, accelerate progress on gender diversity — where trajectory toward the 20% target remains insufficient — and sharpen the definition and growth of its sustainable revenue share, currently at 44% against a greater than 50% target. Translating strong operational ESG performance into externally recognised, financially material outcomes remains the central challenge and opportunity as we move into the next phase of our dialogue.



Sustainability Labels and Awards



Awarded with the French sustainability label «ISR» regularly since 2023



certified by AIR

Carries the FNG label with 3 out of 3 stars since 2019



ESG Investing Award category «natural resources» runner-up in 2024 and 2025, winner in 2023 and 2026



Classified according to SFDR Article 9, contributing to goal 3 of the EU Taxonomy

Sustainable Impact

Contribution to the UN Sustainable Development Goals (SDGs)

The following illustration shows how much of the portfolio holdings' revenue is contributing to the United Nations' Sustainable Development Goals (SDGs).












SDG Solutions Assessment (SDGA)

The contribution to the SDGs is measured on the basis of [ISS ESG's SDG Solutions Assessment \(SDGA\)](#) which measures the positive and negative sustainability impacts of companies' products and services using 15 distinct sustainability objectives.

Each SDG has been mapped to one or several of those 15 objectives. SDGA Scores range from -10.0 (100% of revenues from products/services with significant obstructing impact) to 10.0 (100% of revenues from products/services with significant contributing impact).

Sustainable Impact

Selected Companies Contributing to SDGs

Company	SDGA Score	Description
Kurita Water Industries	+10   	Kurita Water supports the SDGs through its specialized water treatment solutions. Its technologies enable clients to reduce water consumption and pollutant discharge, directly advancing SDG 6 (Clean Water and Sanitation). Kurita is a founding member of the Water Resilience Coalition in support of SDG 6, collaborating to reduce global water stress in 100 water basins by 2030. These efforts, along with Kurita’s investments in water recycling and community projects, exemplify a broad positive impact on sustainable water management and industrial efficiency (SDG 6, SDG 9, SDG 12).
American States Water Company	+9.3   	American States Water Company contributes primarily to SDG 6 (Clean Water and Sanitation) through the provision of safe, reliable drinking water and wastewater services across its regulated utility operations. The company explicitly aligns its sustainability strategy with the UN SDGs and emphasizes long-term investment in water infrastructure to ensure service reliability, water quality, and resource efficiency. American States Water also addresses SDG 13 (Climate Action) by committing to reduce Scope 1 and 2 greenhouse gas emissions by 60 % by 2035 (from a 2020 baseline), supporting climate resilience within essential water services and operations.
United Utilities	+10   	United Utilities (UK) drives multiple UN SDGs through its water and wastewater services. It provides safe, affordable water to millions, lifting 84,000+ customers out of water poverty (supporting SDG 1). The company ensures clean water and sanitation for all (SDG 6) by tackling leakage and ecosystem protection. It has and achieved zero serious pollution incidents in recent years (protecting life below water, SDG 14).

Impact Share Class

Direct and Measurable Impact

With an investment in the impact share class, investors can make a direct and measurable contribution to Goal 6 of the UN Sustainable Development Goals, *Clean Water and Sanitation*.

25% of the management fee go to charitable projects that provide people in developing countries with access to clean drinking water. Investors pay 1/3 of the donation amount, while Tareno covers 2/3.

6 CLEAN WATER AND SANITATION



Project Partners

To implement the projects, Tareno works with carefully selected local partner organizations. All of them have many years of experience and a strong understanding of the local regulatory and operating environment. Their teams are on site to oversee the implementation of the projects. Each organization works closely with the local population to ensure that the water infrastructure they build is sustainable and delivers long-lasting impact.



Waterkiosk Foundation

Tanzania



Verein Tamahú

Guatemala



Medair

World



ECCA: Environmental Camps for Conservation Awareness

Nepal



Tatirano

Madagascar

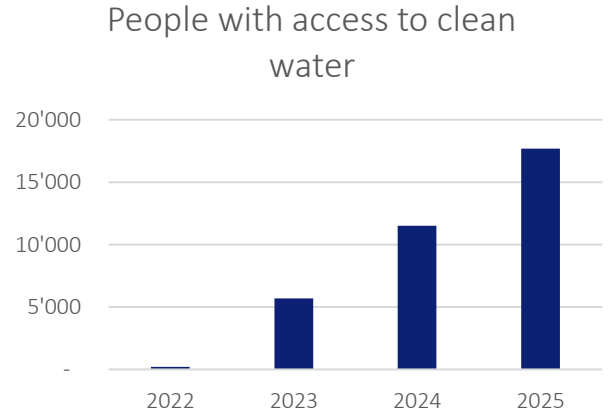
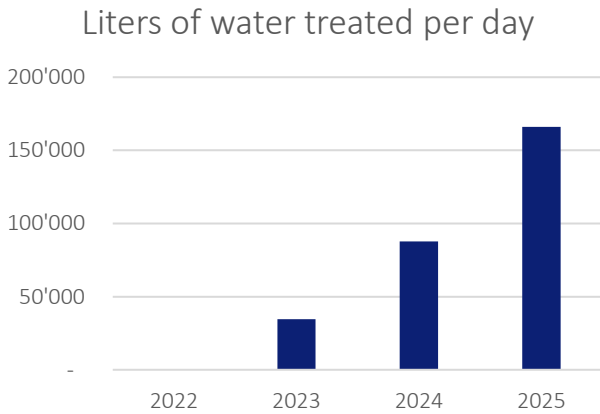
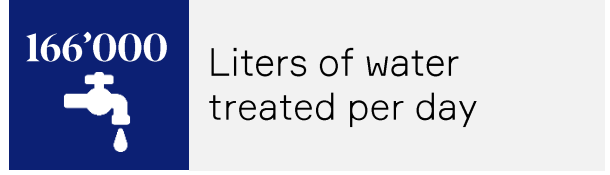
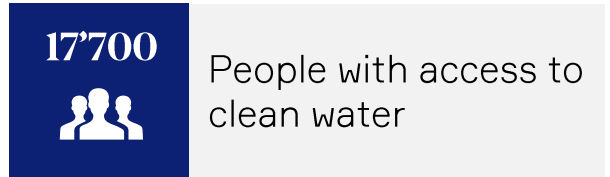
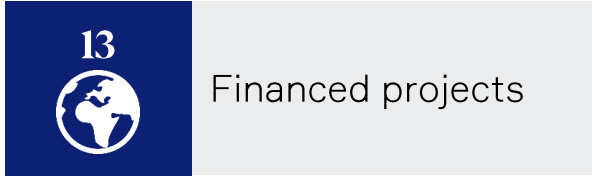


Link to all projects

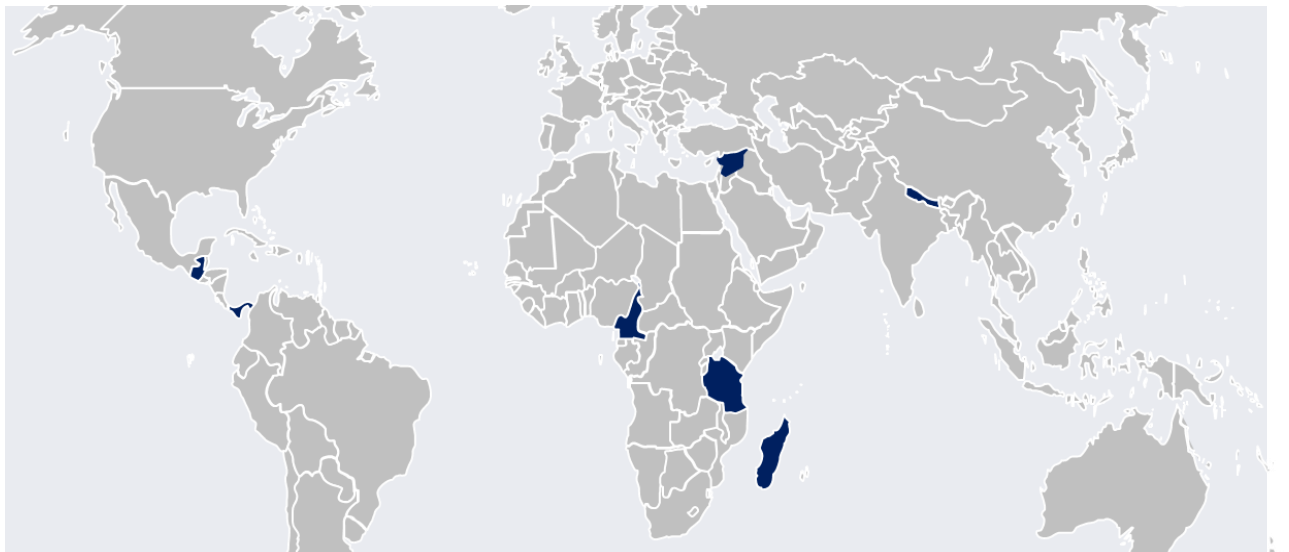
<https://tareno.ch/tareno-fonds/wasserfonds/nachhaltigkeit-impact-investing/>

Impact Share Class

Key Performance Indicators as of 31.12.2025



Project Locations



Impact Share Class – Projects

Sunrise Education Center, Songwe, Tanzania

The Sunrise Education Center in Songwe is a campus with three independent schools. To secure a safe and constant water supply for these schools, a solar-powered water treatment pump (SuMeWa) has been installed next to the existing borehole.

Project partner:	Waterkiosk Foundation
Location:	Songwe, Tanzania
Implementation:	2024/2025
Beneficiaries:	1'500
Liters of water:	15'000 per day



CHUO CHA AFYA SUNRISE SONGWE

Inakupatia huduma ya maji safi na salama ya kunywa kwenye bomba za maji zilizopo ndani ya Chuo.

Maji yetu yametibiwa kwa mfumo wa : **SuMeWa (Sun Meets Water)**

Mtambo wa Maji salama ya kunywa kutoka kampuni ya AUTARCON, kutoka nchini Ujerumani.

Ufungaji wa mtambo na Matengenezo :

Waterkiosk Mbeya, chini ya Kanisa la Moravian Tanzania Jimbo la Kusini Magharibi.

Mradi huu umefadhiliwa na:



SUNRISE COLLEGE OF HEALTH SCIENCES

Offers you free access to safe drinking water from the tap stations located inside the campus.

Water treatment done through: **SuMeWa (Sun Meets Water)** plant from AUTARCON, Germany.

Installation and maintenance:

Done by Waterkiosk Mbeya, under Moravian Church in Tanzania South West Province.

Sponsored by:



Impact Share Class – Projects

Replacing Damaged Water Pipes in Deir-ez Zo, Syria

A network of heavily damaged water distribution pipelines in the province of Deir-ez-Zor, Syria, was replaced. This secured a long-term drinking water supply for the local people who were suffering from a severe drinking water shortage.

Project partner:	Medair
Location:	Deir-ez-Zor, Syria
Implementation:	2024/2025
Beneficiaries:	750
Liters of water:	60'000 per day



Impact Share Class – Projects

ECCA Safe Drinking Water Program, Nepal

Water filters were installed at 25 schools in three different municipalities of Nepal, all outside the Kathmandu Valley. In addition, all beneficiaries received a training in order to improve the overall hygienic conditions at the schools.

Project partner:	ECC
Location:	Nepal
Implementation:	2025
Beneficiaries:	3'100
Liters of water:	2'100 per day



Impact Share Class – Projects

The Baobab Network, Madagascar

Tatirano stores water in large water tanks (“Baobabs”) and delivers it to people in the South of Madagascar. The contribution of Tareno’s impact share class financed a WATA Plus chlorine machine that is used to purify the water delivered to the Baobabs.

Project partner:	Tatirano
Location:	South of Madagascar
Implementation:	2025
Beneficiaries:	870
Liters of water:	1'120 per day





TARENO
INDEPENDENT WEALTH &
ASSET MANAGER

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